

Subject Content	What students need to learn?
1.2.3 Market segmentation	<p>How businesses use market segmentation to target customers:</p> <ul style="list-style-type: none"> identifying market segments: location, demographics, lifestyle, income, age market mapping to identify a gap in the market and the competition.

Market Segmentation:

Market segmentation means dividing customers within a market into smaller groups with common wants or needs. The business then creates/finds a product or service that fulfils those wants or needs.

- Segmentation methods:**
- Location:** Are there regional differences in preference? E.g. Yorkshire tea in the North of England.
 - Income:** Is their income high or low? What is their disposable income like?
 - Lifestyle:** Are they vegetarian? What are their hobbies/sports?
 - Age:** Which age bracket should you focus on? Under 18's? Over 50's?
 - Other demographic factors:** Gender, race religion?

